



### Introduction

Project owners have decided to purchase OPUS, an Owners Protective Policy, much more often in recent years. It has become a mainstream product, as more sophisticated brokers and their clients have come to understand the coverages offered by this policy. The size and type of projects for which this coverage is being sought is no longer limited to large and challenging projects and is now moving to a much broader range of projects, many of modest-to-moderate sizes.

In most cases the reason a project owner decides to purchase an OPUS policy is because they have become keenly aware of the financial risks they can face if coverage is not purchased. Those risks, such as cost overruns and project delays arising from professional services may leave the owner in a position where their budgeted contingencies or the insurance policies of the contractor and design firms are insufficient to make them whole for their loss. The return on investment for the project they have spent years to bring to fruition may be in peril.

Once the client is aware of their risk and understands how an OPUS policy will respond, their next questions are clear:

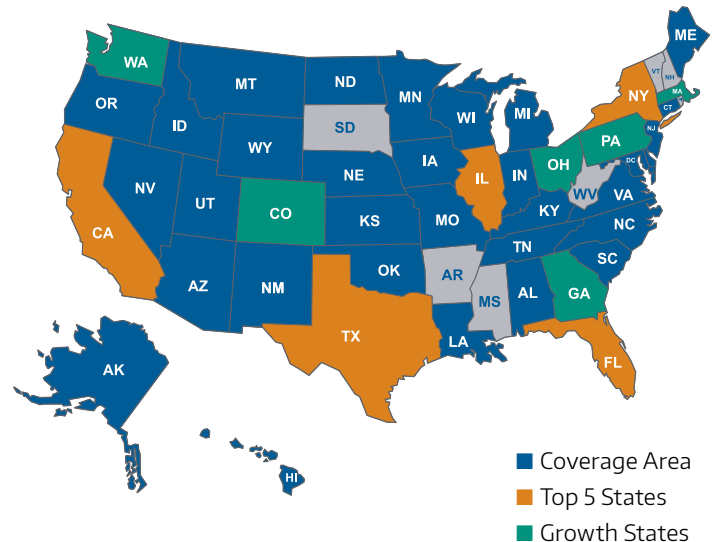
- How much limit should I buy for my particular project?
- What limits of Professional Liability Insurance should I negotiate with the design firms and contractors (Design/Build or not) on this project?
- How does my project compare in its overall risk profile with that of other projects?

We have written numerous OPUS policies over the past 10 years and this benchmarking data is based upon that experience. It is intended to assist brokers and their clients make a well-informed decision when they are deciding about purchasing an OPUS policy.

Berkley Construction Professional is one of the leading writers of Owners Protective policies. Our coverage innovations are well known and our team of experienced underwriters are well regarded.

Please contact anyone on our team if you have any questions about OPUS.

### National Coverage



**We have provided coverage in more than 44 states.**

#### Top 5 States for Policies Written

1. California
2. New York
3. Florida
4. Texas
5. Illinois

#### States Showing Growth for Policies Written

- Massachusetts
- Georgia
- Pennsylvania
- Ohio
- Colorado
- Washington

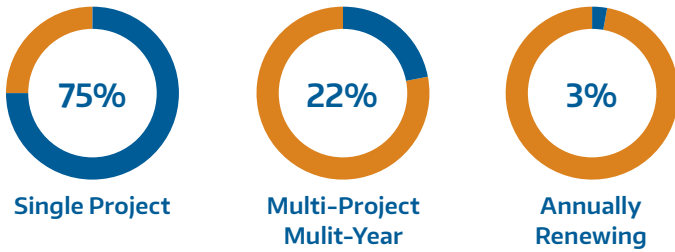
And many other states!

**Don't miss your opportunity to grow with us!**



Below is OPUS benchmark data from our book of business that may provide assistance as you consider owners protective coverage.\*

### Three Different OPUS Policy Types



#### Growth Opportunities

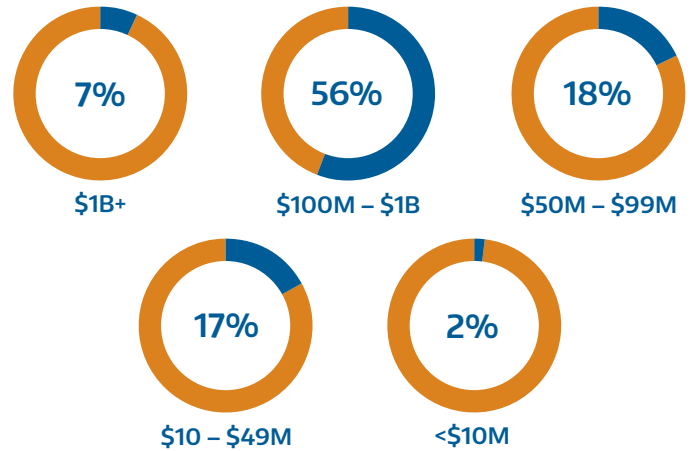
Currently, the majority of policies provide coverage for a single project. There is significant marketplace opportunity to increase the number of multi-project/multi-year and annually renewing policies.

#### Best Fit

**Multi-Project/Multi-Year:** Public or quasi-public entities, or private developers or other firms, with a number of well-defined, projects planned for the next 2 to 5 years: these can either be part of a “capex” plan or a project pipeline.

**Annually Renewing:** Firms with a substantial number of small-to-medium capital improvement/renovation projects planned for the next 5 to 10 years and beyond.

### Policies by Project Value



Most project owners purchase coverage for projects that exceed \$100 million in construction values.

#### Growth Opportunities

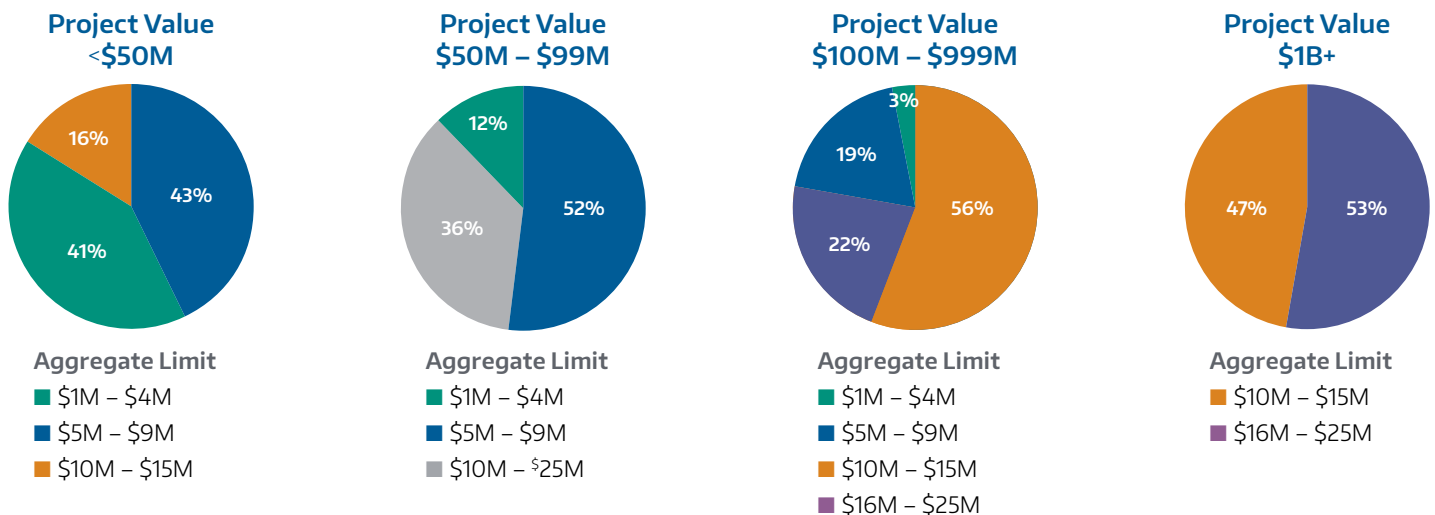
A particular opportunity is transit-oriented development (TOD). These are often less than \$100 million in construction values.

The marketplace now recognizes the need for coverage for projects with values less than \$100 million.

Small projects can generate big claims!

### Policies by Aggregate Limit & Project Value

Our policyholders have purchased these aggregate limits for projects within the following project value ranges. These limits are for primary OPUS. Excess limits may have been purchased.



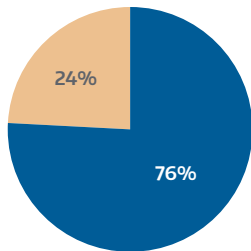
\*Benchmark data covers the period of September 1, 2015 through July 31, 2024.



## Policies by Minimum Insurance Requirement (MIR) & Project Value

Our policyholders have required these professional liability limits from their architect or prime engineer for projects within these project value ranges.

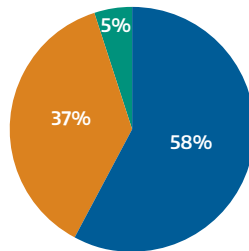
**Project Value  
<\$50M**



**MIR Limit**

- ≤\$2M
- \$3M - \$10M

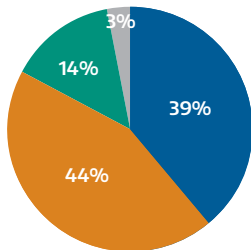
**Project Value  
\$50M - \$99M**



**MIR Limit**

- ≤\$2M
- \$3M - \$5M
- \$6M - \$25M

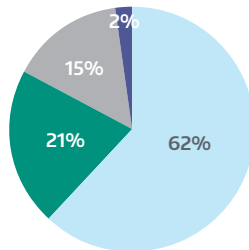
**Project Value  
\$100M - \$999M**



**MIR Limit**

- ≤\$2M
- \$3M - \$5M
- \$6M - \$10M
- \$11M+

**Project Value  
\$1B+**



**MIR Limit**

- ≤\$5M\*\*
- \$6M - \$10M
- \$11M - \$25M
- \$26M+

### MIR Required from Architect or Prime Engineer

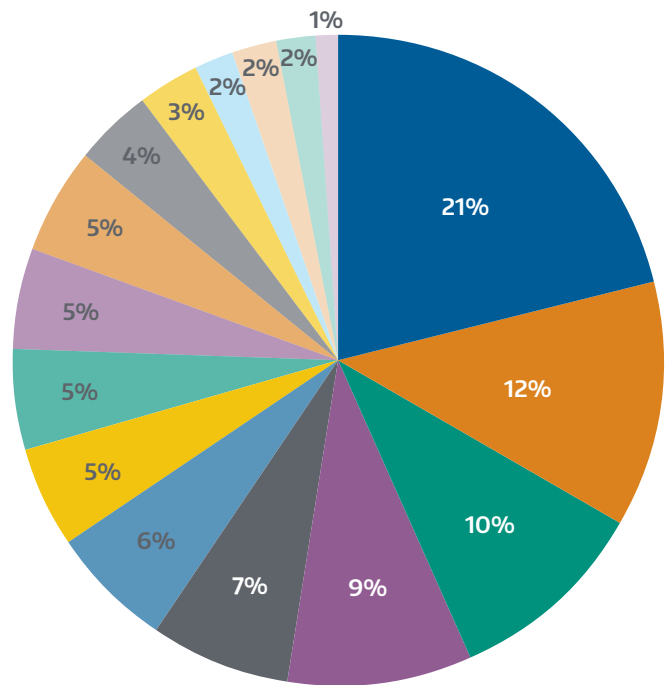
The most commonly required MIR by past purchasers is:

| Project Value   | MIR  |
|-----------------|------|
| <\$50M          | \$2M |
| \$50M - \$99M   | \$2M |
| \$100M - \$999M | \$5M |
| \$1B+           | \$5M |

\*\*Nearly all projects have \$5M MIR

## Policies Written by Project Type

Policies covering more than 40 different types of projects have been issued.



### Top 5 Project Types

- Apartments
- Office buildings
- Condos
- Hospitals
- Educational institutions

### Steady Growth Projects

- Civil/infrastructure projects
- Manufacturing/industrial
- Mixed use
- Other
- Hotels

### Top Growth Opportunities

- Casinos
- Convention centers, performing arts venues, and museums
- Nursing homes
- Sports stadiums and arenas
- Interior fit-out
- Retail



## OPUS Offers

OPUS offers protection in the event of a significant economic loss. The policy sits excess of the annual professional liability policies of design professionals and other consultants performing professional services on the project owners' behalf. The policy can also be excess of a project specific professional liability policy written for the architect or design firm.

## OPUS Covers

OPUS is a project specific professional and pollution indemnity policy that provides separate insuring agreements that share a policy aggregate limit for each of the following exposures:

- Protective Professional Indemnity
- Protective Contractor's Pollution
- Third-Party Claim Defense and Indemnity

Note: Protective Professional and Third-Party coverages do not have a negligence trigger.

## Why Owners Protective Coverage?

OPUS (Owners Protective Policy) helps protect an owner against economic loss due to the following issues with subcontracted professional(s):

- Insufficient design professional limits
- Bankruptcy
- Encumbered or exhausted design professional limits due to other claims
- No design professional insurance
- Cost overruns
- Delayed project completion

## Limits of Liability

- Limits up to \$25 million

## Berkley Construction Professional

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## About Berkley Construction Professional

Berkley Construction Professional provides professional liability, pollution liability, and protective professional indemnity insurance for contractors and construction project owners. Focused exclusively on the construction industry, we deliver customized insurance solutions for complex risks through deep industry expertise, experienced underwriting, and responsive service. Our brokers value our collaborative approach and specialized knowledge, while policyholders benefit from industry-specific risk management resources, dedicated in-house claims professionals, and the peace of mind that comes from working with a financially sound insurer dedicated to protecting their business, reputation, and long-term success.

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